

I. Status of the Claims

Claims 1-4, 6-10, and 18-41 are pending in this application. No amendment is made in this Reply.

II. Clarification of the Records

During the interview with Applicants' representative held on October 6, 2004, the Examiner confirmed that a Rule **132** Declaration, instead of a "Rule 131" Declaration as indicated in the outstanding Office Action on page 2, was filed on March 5, 2004.

III. Rejection under 35 U.S.C. §103

Claims 1-4, 6-10, and 18-41 have been rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Japanese Application No. JP 11-021227 ("*the JP reference*") and Cernasov et al. (U.S. Patent No. 5,976,510) ("*Cernasov*"). Office Action, page 2. Specifically, the Examiner alleges that it would have been obvious to include the perfluoroalkyl phosphate treated pigments of *Cernasov* in the composition disclosed in *the JP reference* "with the expectation that the resulting formulation would have excellent moisture retention characteristics." *Id.* at page 3. The Examiner further alleges that "Applicants' 132 declaration does [not] give data on how the instant composition and the composition of the prior art affect skin." *Id.* Applicants respectfully disagree with and traverse this rejection for the reasons of record and the reasons set forth below.

First, the Examiner has failed to point to any evidence of a suggestion or motivation in either of the cited references to modify the composition disclosed in *the JP*